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This Stipulation is entered between Verity Health System Of California, Inc. ("VHS") and the above-referenced affiliated debtors, the debtors and debtors in possession in the above-captioned chapter 11 bankruptcy cases (collectively, the "Debtors"), the California Department of Health Care Services ("DHCS") and U.S. Department of Health and Human Services ("HHS"), with respect to the following:

- 1. On December 27, 2018, the Court entered an Order (A) Authorizing the Sale of Certain of the Debtors' Assets to Santa Clara County Free and Clear of Liens, Claims and Encumbrances, and Other Interests; (B) Approving the Assumption and Assignment of an Unexpired Lease Related Thereto; and (C) Granting Related Relief [Dkt. No. 1153] (the "Sale Order").
- 2. The Sale Order provides that the Court will hold a hearing on January 30, 2019, at 10:00 a.m. (Pacific Time) (the "Hearing Date") to consider the issues raised by DHCS and HHS regarding the transfer and/or proposed assumption and assignment or rejection of the Medi-Cal Provider Agreements and Medicare Provider Agreements to Santa Clara County ("SCC"). Sale Order, ¶¶ 31-32.
- 3. On January 25, 2019, the Court entered an *Order Approving Stipulation Continuing Hearing Regarding Transfer of Medi-Cal Provider Agreements and Medicare Provider Agreements to Santa Clara County* [Dkt. No. 1371], continuing the Hearing Date to February 6, 2019.
- 4. On February 5, 2019, the Court entered an *Order Approving Second Stipulation Continuing Hearing Regarding Transfer of Medi-Cal Provider Agreements and Medicare Provider Agreements to Santa Clara County* [Dkt. No. 1466], further continuing the Hearing Date to February 13, 2019 (the "Continued Hearing Date").
- 5. On February 11, 2019, the Court entered an Order Approving Third Stipulation
 Continuing Hearing Regarding Transfer of Medi-Cal Provider Agreements and Medicare Provider

Agreements to Santa Clara County [Dkt. No. 1526], further continuing the Hearing Date to February 20, 2019 (the "Continued Hearing Date").

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6. The Debtors, DHCS and HHS have agreed to further continue the Continued Hearing Date. The parties are currently negotiating issues concerning the transfer of the Medi-Cal Provider Agreements and Medicare Provider Agreements to SCC and need additional time to reach a

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consensual resolution.

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The Debtors, DHCS and HHS have also agreed to continue the deadline for DHCS and HHS to file a supplemental objection to the proposed transfer of the Medi-Cal Provider Agreements and Medicare Provider Agreements (the "Supplemental Objection Deadline").

NOW, THEREFORE, all of the parties to this Stipulation hereby stipulate as follows:

- Α. The Continued Hearing Date shall be continued from February 20, 2019, at 10:00 a.m. to February 27, 2019, at 10:00 a.m. (Pacific Time).
- The Supplemental Objection Deadline shall be continued to February 22, 2019, at B. 12:00 p.m. (Pacific Time). The Debtors' deadline to file a reply to any supplemental objection shall be February 25, 2019, at 12:00 p.m. (Pacific Time).

Verity Health System of California, Inc., et al.

By: /s/ Tania M. Moyron

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